

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 232 (S-1 as reported)

Committee: Appropriations

FY 2000-01 Year-to-Date Gross Appropriation	\$169,082,800
Changes from FY 2000-01 Year-to-Date:	
1. Community Development Block Grants. The Governor recommends a Federal and GF/GP increase for this Federal grant program. The Subcommittee concurs.	10,400,000
2. Travel Michigan/Promotion Program. The Governor recommends a GF/GP increase to cover the increased costs for advertising in Chicago, Appleton/Green Bay, Indianapolis, and Cleveland. The Subcommittee concurs.	500,000
3. Michigan Certified Development Corporation Fees. The Governor recommends an increase in private funds to more accurately reflect the fees collected for this program. This corporation has been certified to administer the Federal Small Business Administration 504 Loan Program for the State of Michigan. The Subcommittee concurs.	193,300
4. Economic Development Job Training Grants. The Subcommittee reduced this line.	(500,000)
5. Budgetary Savings. The Governor recommends a 0.5% GF/GP reduction to the overall budget. The Subcommittee applied these savings to specific line items.	(333,400)
6. Economic Adjustments.	363,300
7. Comparison to Governor's Recommendation. The Subcommittee Recommendation is (\$500,000) Gross and GF/GP under the Governor's Recommendation.	
Total Changes	10,623,200
FY 2001-02 Senate Appropriations Subcommittee Gross Appropriation	\$179,706,000

Changes from FY 2000-01 Year-to-Date:

1. **General Sections.** The Governor recommends the deletion of the following sections: Privatization, Purchase of Foreign Goods, Deprived and Depressed, Notification of Grants, Affirmative Action. The Subcommittee reinstates all sections except privatization.
2. **Economic Development Job Training Grants.** The Governor recommends deleting the subsection stating that grant funds shall be expended on a cost reimbursement basis. The Subcommittee retained this language and changed recruitment amount from \$1.0 million to \$500,000. (Sec. 401)
3. **Promotion Funding for Northeast Side and Cultural Tourism.** The Governor recommends deleting language designating \$200,000 of Promotion funding be used to promote tourism in the northeast region of the State and requiring 25% of the total funding for Promotion be used to promote cultural tourism activities in the State. The Subcommittee retained the current year language. (Sec. 405)
4. **Life Sciences.** The Governor recommends increasing the amount for administration from 1% to 5%. The Governor also recommends adding language: 1) Allowing the committee members to designate alternative members; 2) Requiring that any funding received from grant recipients that is equal to the amount of the award be deposited in the Health and Aging Research Fund and any funding received that is in excess of the original award amount be deposited in the Michigan Strategic Fund and shall not lapse to the General Fund. The Subcommittee concurred with the Governor's Recommendation on all but the excess revenue which it proposes be deposited into the Commercialization Fund. (Sec. 409)
5. **Core Communities Fund.** The Governor recommends adding new language allowing the Fund to receive and expend any revenue resulting from the repayment of loans made from the Fund. The Subcommittee concurred and added language requiring an annual status report on the Fund. (Sec. 414)
6. **Community Development Block Grants.** The Governor recommends adding new language allowing the Fund to receive and expend any additional Federal funds that are available for this program above those appropriated in part 1, and to allow the Fund to carry-forward into the succeeding fiscal year any unexpended funds appropriated for this purpose. The Subcommittee did not include this language.

Date Completed: 03/15/01

Fiscal Analyst: M. Tyszkiewicz